

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA	:	CRIMINAL NO.
v.	:	DATE FILED:
ROBERT TRAUFFER	:	VIOLATIONS:
	:	26 U.S.C. § 7201 (income tax evasion -
	:	4 counts)
	:	26 U.S.C. § 7206(2) (filing false income
	:	tax returns - 34 counts)

INDICTMENT

COUNT ONE

THE GRAND JURY CHARGES THAT:

1. At all times material to this indictment, defendant ROBERT TRAUFFER was and is a licensed Certified Public Accountant and was and is the sole owner and operator of a tax preparation business.

2. On or about April 15, 2002, in Philadelphia, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER,

a resident of Spring City, Pennsylvania, who during the calendar year 2001 was married, willfully attempted to evade and defeat a large part of the income tax due and owing by him and his spouse to the United States of America for the calendar year 2001, by filing and causing to be filed with the Director, Internal Revenue Service Center, at Philadelphia, Pennsylvania, a false and fraudulent joint U.S. individual income tax return, Form 1040, on behalf of himself and his spouse, in which it was stated that his Schedule C business receipts were the sum of \$17,460, but

as he then well knew and believed, his Schedule C business receipts were the sum of approximately \$70,300, resulting in unreported taxable receipts of approximately \$52,840, upon which there was owing to the United States of America an additional income tax of approximately \$19,081.

In violation of Title 26, United States Code, Section 7201.

COUNT TWO

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One is incorporated here.
2. On or about April 15, 2003, in Philadelphia, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER,

a resident of Spring City, Pennsylvania, who during the calendar year 2002 was married, willfully attempted to evade and defeat a large part of the income tax due and owing by him and his spouse to the United States of America for the calendar year 2002, by filing and causing to be filed with the Director, Internal Revenue Service Center, at Philadelphia, Pennsylvania, a false and fraudulent joint U.S. individual income tax return, Form 1040, on behalf of himself and his spouse, in which it was stated that his Schedule C business receipts were the sum of \$24,420, but as he then well knew and believed, his Schedule C business receipts were the sum of approximately \$99,698, resulting in unreported taxable receipts of approximately \$75,278, upon which there was owing to the United States of America an additional income tax of approximately \$27,002.

In violation of Title 26, United States Code, Section 7201.

COUNT THREE

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One is incorporated here.
2. On or about April 15, 2004, in Philadelphia, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER,

a resident of Spring City, Pennsylvania, who during the calendar year 2003 was married, willfully attempted to evade and defeat a large part of the income tax due and owing by him and his spouse to the United States of America for the calendar year 2003, by filing and causing to be filed with the Director, Internal Revenue Service Center, at Philadelphia, Pennsylvania, a false and fraudulent joint U.S. individual income tax return, Form 1040, on behalf of himself and his spouse, in which it was stated that his Schedule C business receipts were \$36,590, but as he then well knew and believed, his Schedule C business receipts were the sum of approximately \$133,132, resulting in unreported taxable receipts of approximately \$96,542, upon which there was owing to the United States of America an additional income tax of approximately \$34,434.

In violation of Title 26, United States Code, Section 7201.

COUNT FOUR

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One is incorporated here.
2. On or about April 15, 2005, in Philadelphia, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER,

a resident of Spring City, Pennsylvania, who during the calendar year 2004 was married, willfully attempted to evade and defeat a large part of the income tax due and owing by him and his spouse to the United States of America for the calendar year 2004, by filing and causing to be filed with the Director, Internal Revenue Service Center, at Philadelphia, Pennsylvania, a false and fraudulent joint U.S. individual income tax return, Form 1040, on behalf of himself and his spouse, in which it was stated that his Schedule C business receipts were the sum of \$42,660, but as he then well knew and believed, his Schedule C business receipts were the sum of approximately \$197,809, resulting in unreported taxable receipts of approximately \$155,149, upon which there was owing to the United States of America an additional income tax of approximately \$56,334.

In violation of Title 26, United States Code, Section 7201.

COUNT FIVE

THE GRAND JURY FURTHER CHARGES THAT:

At all times relevant to this indictment:

DEFENDANT'S BUSINESS AND CLIENTS

1. Paragraph 1 of Count One is incorporated here.

2. As the operator of his own tax preparation business, in 2002, defendant ROBERT TRAUFFER assisted in the preparation of approximately 390 tax returns. In 2003, his practice had nearly doubled, and he assisted in the preparation of approximately 670 tax returns. By tax year 2004, defendant ROBERT TRAUFFER's practice grew significantly and he assisted in the preparation of approximately 1025 federal income tax returns.

3. The majority of defendant ROBERT TRAUFFER's clients had the equivalent of a high school education, with little or no tax, accounting, or finance background or training. Indeed, the majority of defendant TRAUFFER's clients did not feel comfortable or knowledgeable enough to prepare their own tax returns and thus, generally retained the services of an accountant or a tax preparation firm.

4. The majority of defendant ROBERT TRAUFFER's clients were referred to him by word of mouth. Many of his clients retained defendant TRAUFFER to prepare their returns because he was knowledgeable in tax preparation for persons in their professions and obtained significant refunds for them.

DEFENDANT'S FRAUDULENT CONDUCT

5. Defendant ROBERT TRAUFFER's clients generally provided him with their wage earnings statements (Form W-2), mortgage interest documents (Form 1098),

settlement sheets, and bank statements. Although some of his clients had receipts for charitable contributions, many did not have receipts, and thus, described their contributions to defendant TRAUFFER. Similarly, many of defendant TRAUFFER's clients had no receipts for job expenses and thus either described the expenses they incurred or estimated the amount of their expenses.

6. In preparing the returns, defendant ROBERT TRAUFFER generally falsified one or both of two items. First, defendant TRAUFFER exaggerated the amount his clients donated to charity. Second, defendant TRAUFFER inflated the amount his clients incurred as unreimbursed job expenses. This resulted in clients receiving higher refunds than they were entitled to receive.

7. Defendant ROBERT TRAUFFER filed these false returns electronically with the IRS, and provided the taxpayer with a copy of the return after it had been filed.

8. As a result of these false statements, the additional tax due on each return as a result of the false items ranged from \$281 to \$3,240. The total tax loss for 34 returns for the 2002, 2003 and 2004 calendar years was approximately \$52,465.

9. On or about April 15, 2003, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as R.C. and S.R., for the calendar year 2002, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for

charitable contributions and unreimbursed employee expenses, resulting in a reported taxable income of \$13,139, when in fact, defendant ROBERT TRAUFFER knew that R.C.'s and S.R.'s actual taxable income was \$18,329.

In violation of Title 26, United States Code, Section 7206(2).

COUNT SIX

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2004, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as R.C. and S.R., for the calendar year 2003, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$16,867, when in fact, defendant ROBERT TRAUFFER knew that R.C.'s and S.R.'s actual taxable income was \$21,121.

In violation of Title 26, United States Code, Section 7206(2).

COUNT SEVEN

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2003, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as J.F. and J.F., for the calendar year 2002, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$61,270, when in fact, defendant ROBERT TRAUFFER knew that J.F.'s and J.F.'s actual taxable income was \$73,258.

In violation of Title 26, United States Code, Section 7206(2).

COUNT EIGHT

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2004, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as J.F. and J.F., for the calendar year 2003, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$62,808, when in fact, defendant ROBERT TRAUFFER knew that J.F.'s and J.F.'s actual taxable income was \$75,307.

In violation of Title 26, United States Code, Section 7206(2).

COUNT NINE

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2005, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as J.F. and J.F., for the calendar year 2004, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$68,371, when in fact, defendant ROBERT TRAUFFER knew that J.F.'s and J.F.'s actual taxable income was \$81,149.

In violation of Title 26, United States Code, Section 7206(2).

COUNT TEN

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2003, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as M.S. and K.S., for the calendar year 2002, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$72,885, when in fact, defendant ROBERT TRAUFFER knew that M.S.'s and K.S.'s actual taxable income was \$74,656.

In violation of Title 26, United States Code, Section 7206(2).

COUNT ELEVEN

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2004, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as M.S. and K.S., for the calendar year 2003, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$87,294, when in fact, defendant ROBERT TRAUFFER knew that M.S.'s and K.S.'s actual taxable income was \$89,409.

In violation of Title 26, United States Code, Section 7206(2).

COUNT TWELVE

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2005, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as M.S. and K.S., for the calendar year 2004, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$134,276, when in fact, defendant ROBERT TRAUFFER knew that M.S.'s and K.S.'s actual taxable income was \$141,241.

In violation of Title 26, United States Code, Section 7206(2).

COUNT THIRTEEN

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2003, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as L.B. and M.B., for the calendar year 2002, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$68,197, when in fact, defendant ROBERT TRAUFFER knew that L.B.'s and M.B.'s actual taxable income was \$73,150.

In violation of Title 26, United States Code, Section 7206(2).

COUNT FOURTEEN

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2004, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as L.B. and M.B., for the calendar year 2003, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$71,058, when in fact, defendant ROBERT TRAUFFER knew that L.B.'s and M.B.'s actual taxable income was \$77,000.

In violation of Title 26, United States Code, Section 7206(2).

COUNT FIFTEEN

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2005, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as L.B. and M.B., for the calendar year 2004, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$77,342, when in fact, defendant ROBERT TRAUFFER knew that L.B.'s and M.B.'s actual taxable income was \$85,125.

In violation of Title 26, United States Code, Section 7206(2).

COUNT SIXTEEN

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2003, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as D.S. and S.S., for the calendar year 2002, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$63,636, when in fact, defendant ROBERT TRAUFFER knew that D.S.'s and S.S.'s actual taxable income was \$71,170.

In violation of Title 26, United States Code, Section 7206(2).

COUNT SEVENTEEN

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2004, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as D.S. and S.S., for the calendar year 2003, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$57,209, when in fact, defendant ROBERT TRAUFFER knew that D.S.'s and S.S.'s actual taxable income was \$66,102.

In violation of Title 26, United States Code, Section 7206(2).

COUNT EIGHTEEN

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2005, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as D.S. and S.S., for the calendar year 2004, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$50,160, when in fact, defendant ROBERT TRAUFFER knew that D.S.'s and S.S.'s actual taxable income was \$61,600.

In violation of Title 26, United States Code, Section 7206(2).

COUNT NINETEEN

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2003, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as R.T. and M.T., for the calendar year 2002, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$42,026, when in fact, defendant ROBERT TRAUFFER knew that R.T.'s and M.T.'s actual taxable income was \$50,857.

In violation of Title 26, United States Code, Section 7206(2).

COUNT TWENTY

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2004, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as R.T. and M.T., for the calendar year 2003, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$42,011, when in fact, defendant ROBERT TRAUFFER knew that R.T.'s and M.T.'s actual taxable income was \$51,162.

In violation of Title 26, United States Code, Section 7206(2).

COUNT TWENTY-ONE

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2005, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as R.T. and M.T., for the calendar year 2004, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$30,972, when in fact, defendant ROBERT TRAUFFER knew that R.T.'s and M.T.'s actual taxable income was \$37,000.

In violation of Title 26, United States Code, Section 7206(2).

COUNT TWENTY-TWO

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2004, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as B.I. and C.I., for the calendar year 2003, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$46,098, when in fact, defendant ROBERT TRAUFFER knew that B.I.'s and C.I.'s actual taxable income was \$57,285.

In violation of Title 26, United States Code, Section 7206(2).

COUNT TWENTY-THREE

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2005, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as B.I. and C.I., for the calendar year 2004, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$44,987, when in fact, defendant ROBERT TRAUFFER knew that B.I.'s and C.I.'s actual taxable income was \$57,363.

In violation of Title 26, United States Code, Section 7206(2).

COUNT TWENTY-FOUR

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2003, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as M.M. and H.M., for the calendar year 2002, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$15,695, when in fact, defendant ROBERT TRAUFFER knew that M.M.'s and H.M.'s actual taxable income was \$18,838.

In violation of Title 26, United States Code, Section 7206(2).

COUNT TWENTY-FIVE

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2004, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as M.M. and H.M., for the calendar year 2003, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$24,378, when in fact, defendant ROBERT TRAUFFER knew that M.M.'s and H.M.'s actual taxable income was \$28,146.

In violation of Title 26, United States Code, Section 7206(2).

COUNT TWENTY-SIX

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2005, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as M.M. and H.M., for the calendar year 2004, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$25,900, when in fact, defendant ROBERT TRAUFFER knew that M.M.'s and H.M.'s actual taxable income was \$29,768.

In violation of Title 26, United States Code, Section 7206(2).

COUNT TWENTY-SEVEN

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2003, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as C.C. and T.C., for the calendar year 2002, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$40,694, when in fact, defendant ROBERT TRAUFFER knew that C.C.'s and T.C.'s actual taxable income was \$51,471.

In violation of Title 26, United States Code, Section 7206(2).

COUNT TWENTY-EIGHT

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2004, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as C.C. and T.C., for the calendar year 2003, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$29,603, when in fact, defendant ROBERT TRAUFFER knew that C.C.'s and T.C.'s actual taxable income was \$40,209.

In violation of Title 26, United States Code, Section 7206(2).

COUNT TWENTY-NINE

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2005, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as C.C. and T.C., for the calendar year 2004, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$42,976, when in fact, defendant ROBERT TRAUFFER knew that C.C.'s and T.C.'s actual taxable income was \$50,665.

In violation of Title 26, United States Code, Section 7206(2).

COUNT THIRTY

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2003, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as D.C. and S.C., for the calendar year 2002, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$47,236, when in fact, defendant ROBERT TRAUFFER knew that D.C.'s and S.C.'s actual taxable income was \$57,451.

In violation of Title 26, United States Code, Section 7206(2).

COUNT THIRTY-ONE

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2004, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as D.C. and S.C., for the calendar year 2003, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$53,355, when in fact, defendant ROBERT TRAUFFER knew that D.C.'s and S.C.'s actual taxable income was \$64,927.

In violation of Title 26, United States Code, Section 7206(2).

COUNT THIRTY-TWO

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2005, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as D.C. and S.C., for the calendar year 2004, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$41,913, when in fact, defendant ROBERT TRAUFFER knew that D.C.'s and S.C.'s actual taxable income was \$53,901.

In violation of Title 26, United States Code, Section 7206(2).

COUNT THIRTY-THREE

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2003, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as A.S. and P.S., for the calendar year 2002, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$40,423, when in fact, defendant ROBERT TRAUFFER knew that A.S.'s and P.S.'s actual taxable income was \$45,140.

In violation of Title 26, United States Code, Section 7206(2).

COUNT THIRTY-FOUR

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2004, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as A.S. and P.S., for the calendar year 2003, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$46,918, when in fact, defendant ROBERT TRAUFFER knew that A.S.'s and P.S.'s actual taxable income was \$53,232.

In violation of Title 26, United States Code, Section 7206(2).

COUNT THIRTY-FIVE

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2005, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as A.S. and P.S., for the calendar year 2004, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$57,373, when in fact, defendant ROBERT TRAUFFER knew that A.S.'s and P.S.'s actual taxable income was \$63,005.

In violation of Title 26, United States Code, Section 7206(2).

COUNT THIRTY-SIX

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2003, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of a person known to the grand jury as A.S., for the calendar year 2002, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$28,861, when in fact, defendant ROBERT TRAUFFER knew that A.S.'s actual taxable income was \$39,554.

In violation of Title 26, United States Code, Section 7206(2).

COUNT THIRTY-SEVEN

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2004, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as A.S., for the calendar year 2003, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$18,945, when in fact, defendant ROBERT TRAUFFER knew that A.S.'s actual taxable income was \$30,718.

In violation of Title 26, United States Code, Section 7206(2).

COUNT THIRTY-EIGHT

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Count One and paragraphs 1 through 8 of Count Five are incorporated here.

2. On or about April 15, 2005, in the Eastern District of Pennsylvania, defendant

ROBERT TRAUFFER

willfully aided and assisted in, and advised the preparation and presentation, to the Internal Revenue Service, of a U.S. Individual Income Tax Return, Form 1040, of persons known to the grand jury as A.S., for the calendar year 2004, which was false and fraudulent as to material matters, in that defendant ROBERT TRAUFFER falsely inflated deductions for charitable contributions and/or unreimbursed employee expenses, resulting in a reported taxable income of \$21,729, when in fact, defendant ROBERT TRAUFFER knew that A.S.'s actual taxable income was \$31,126.

In violation of Title 26, United States Code, Section 7206(2).

A TRUE BILL:

FOREPERSON

PATRICK L. MEEHAN
United States Attorney